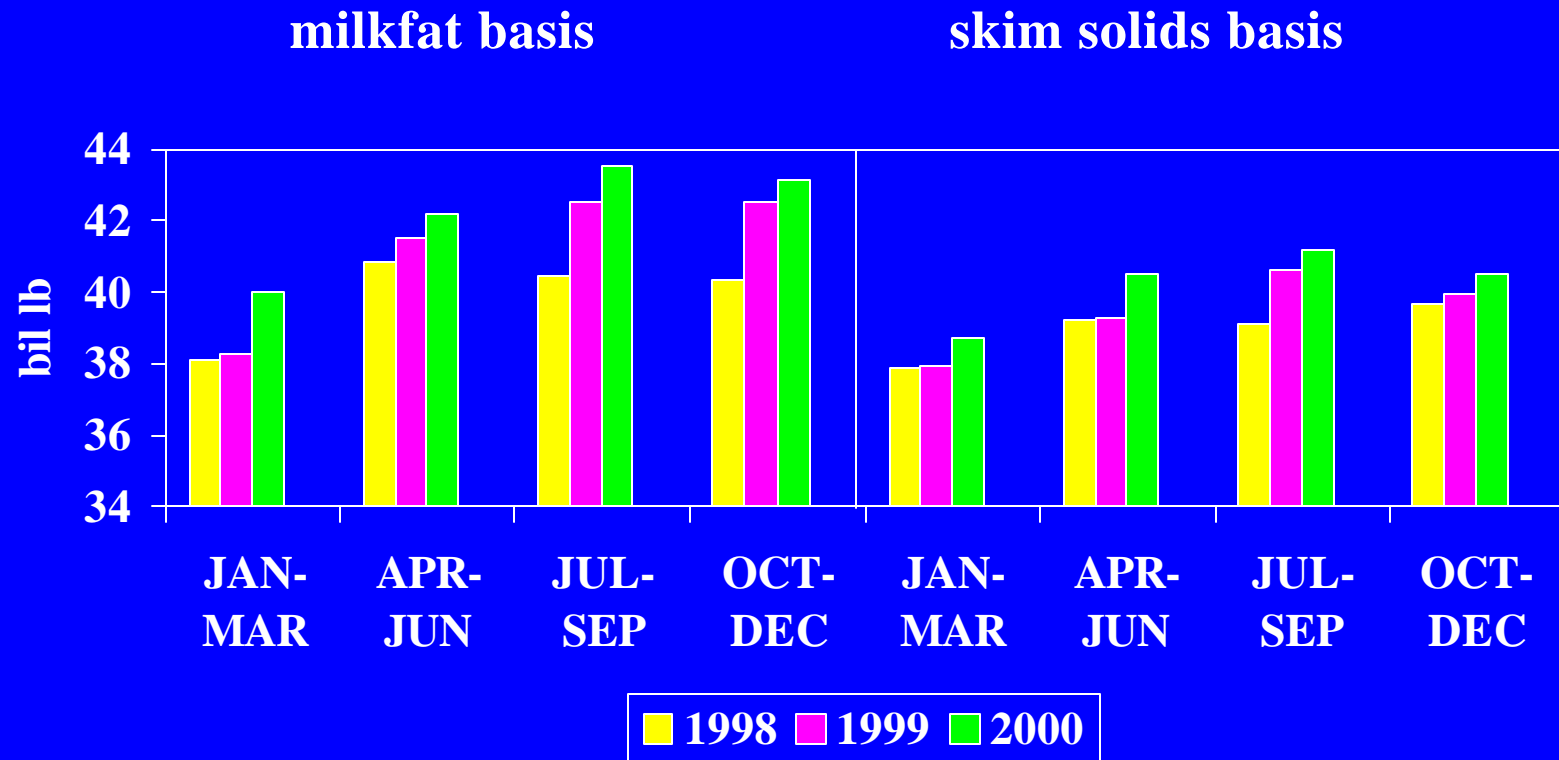


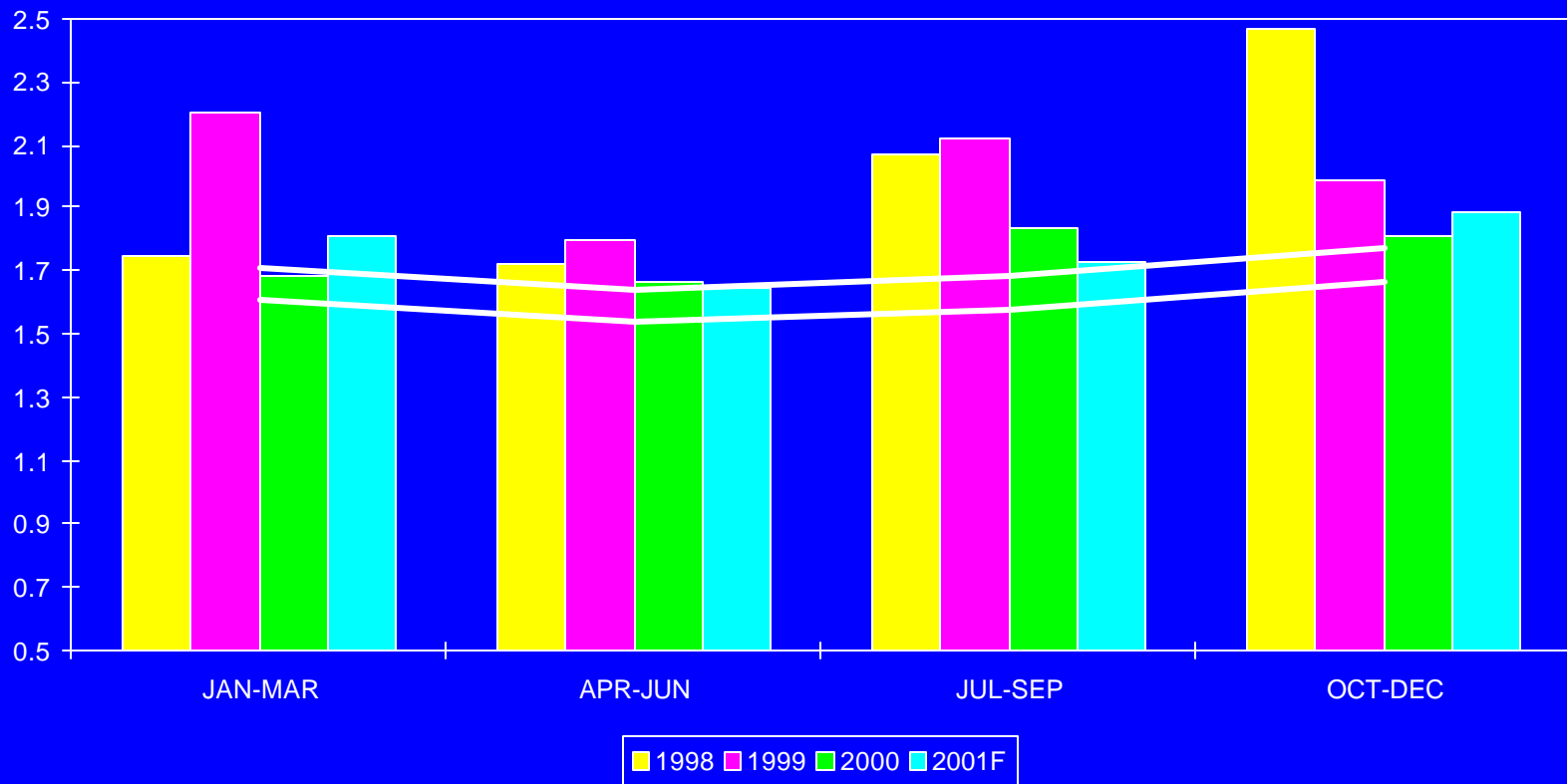
OUTLOOK FOR DAIRY

James J. Miller
ERS/USDA

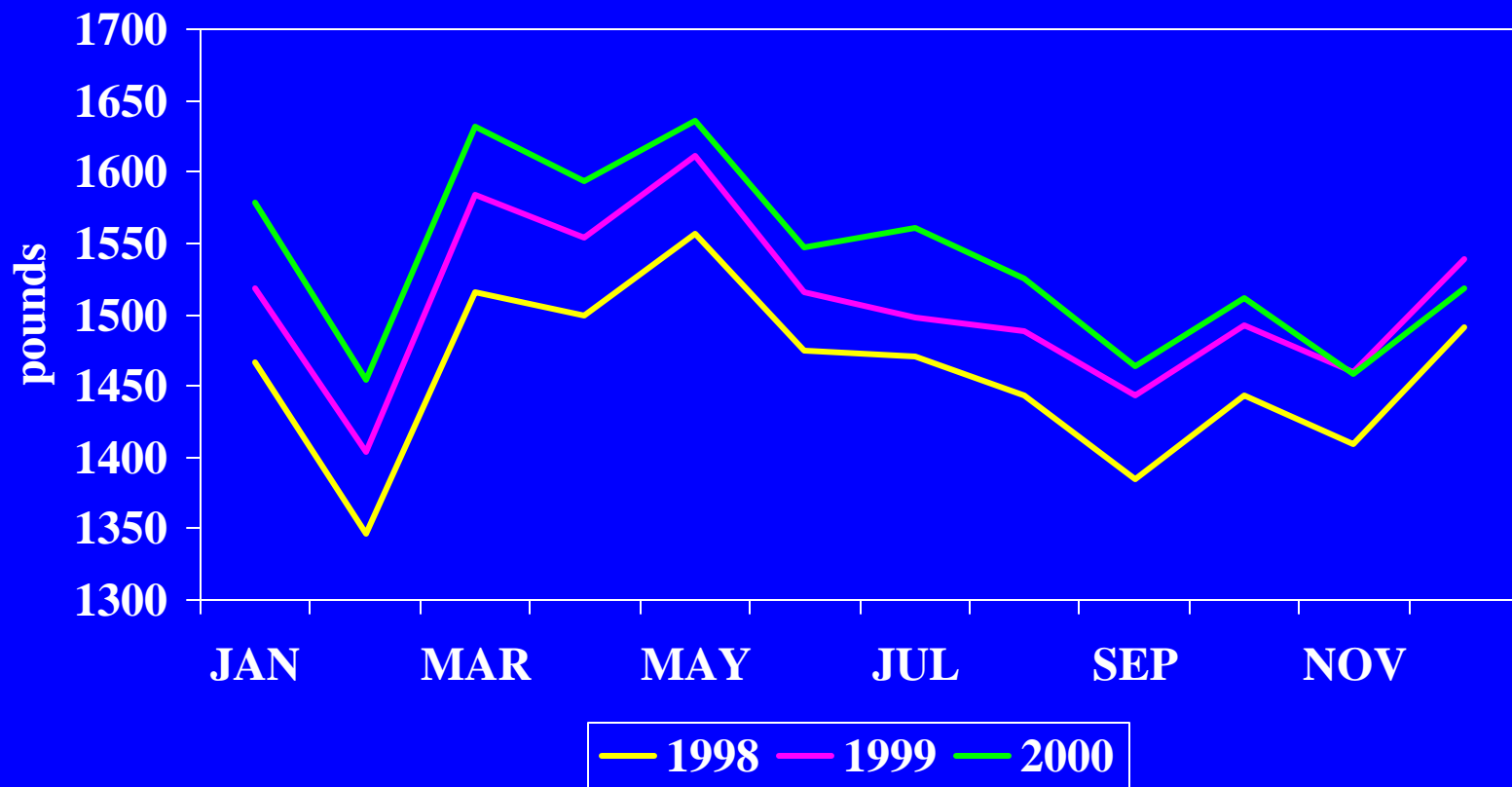
Commercial use, milk equiv.



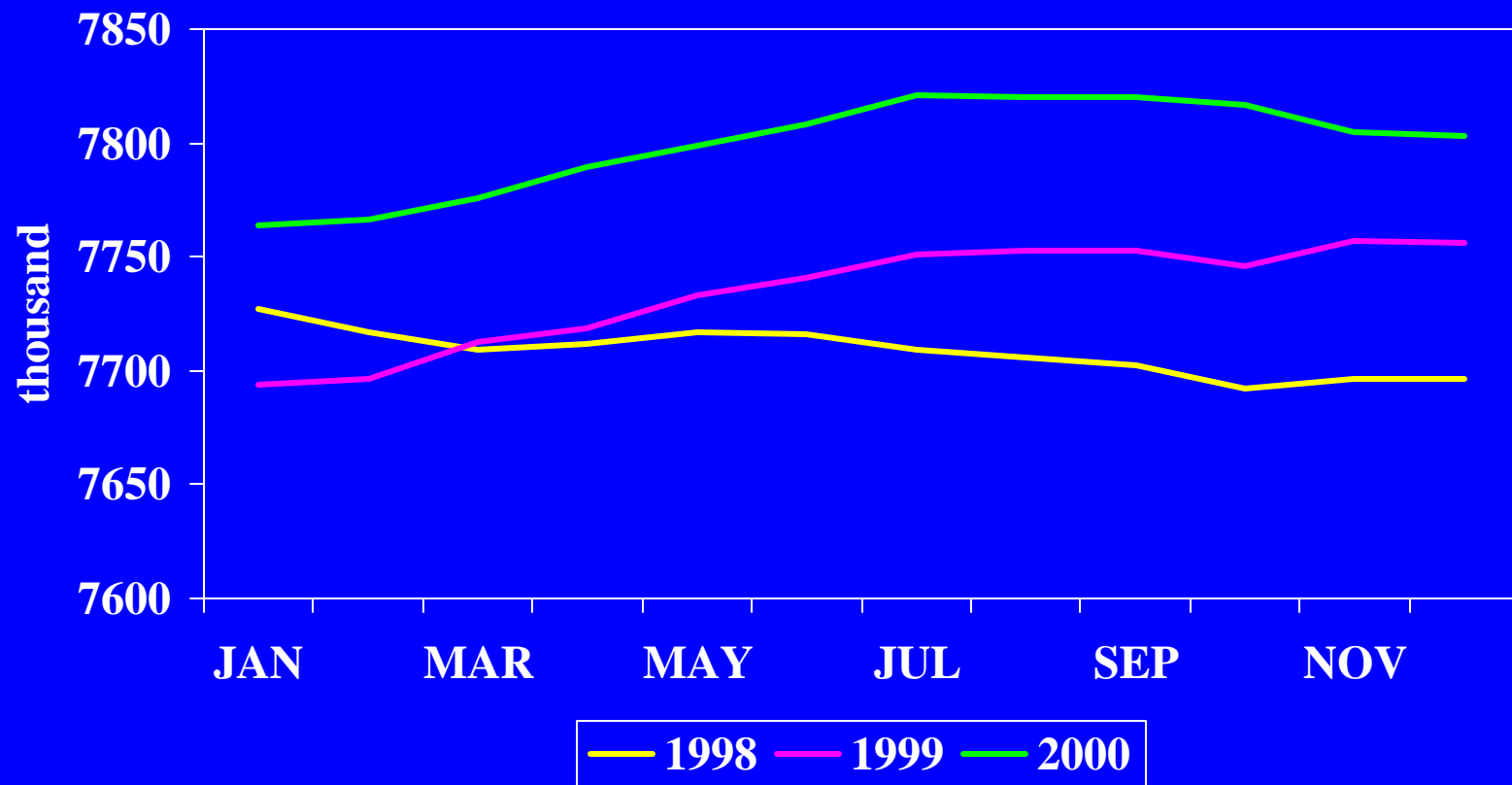
Milk-feed price ratio



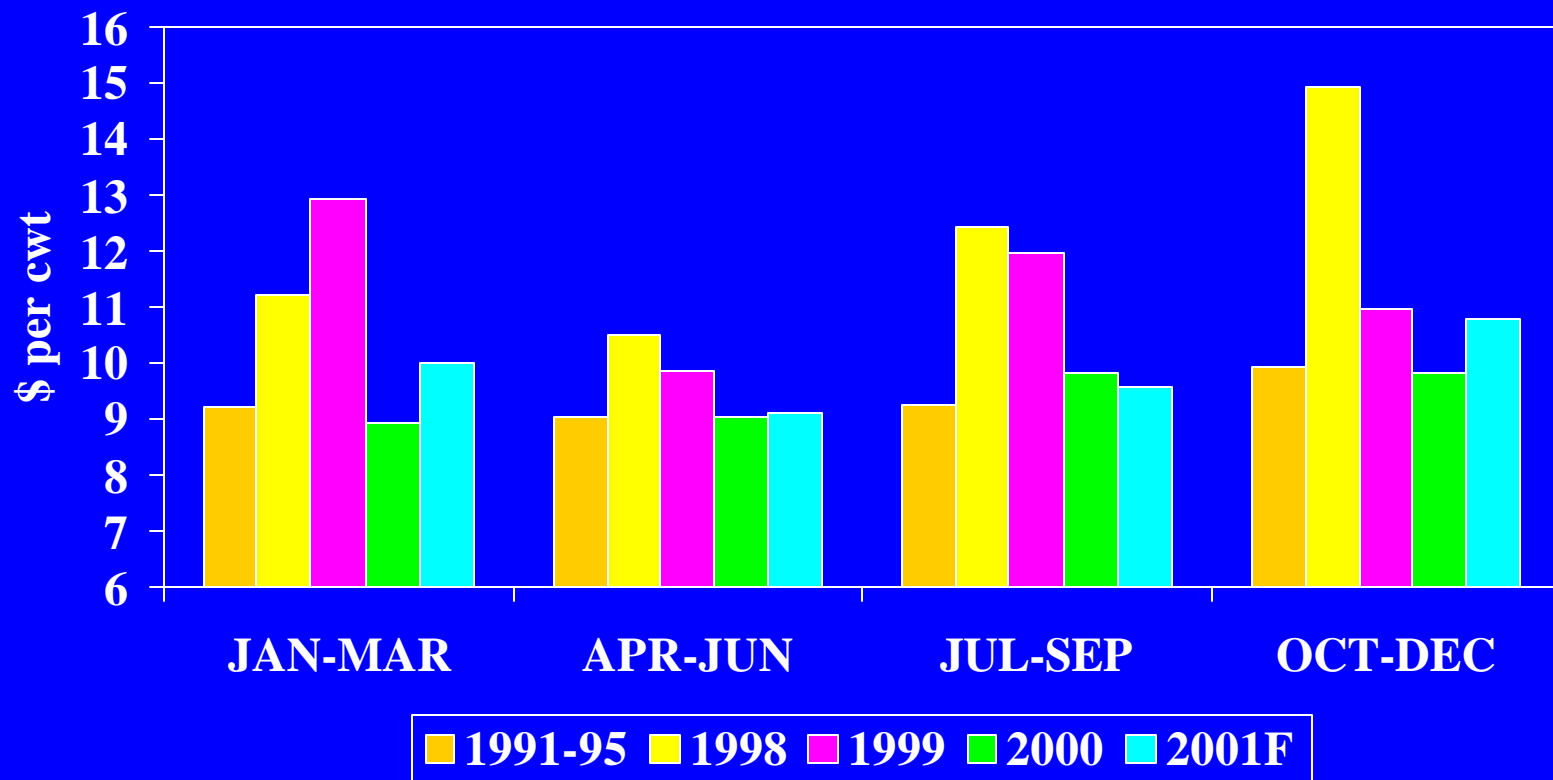
Milk per cow, 20 States



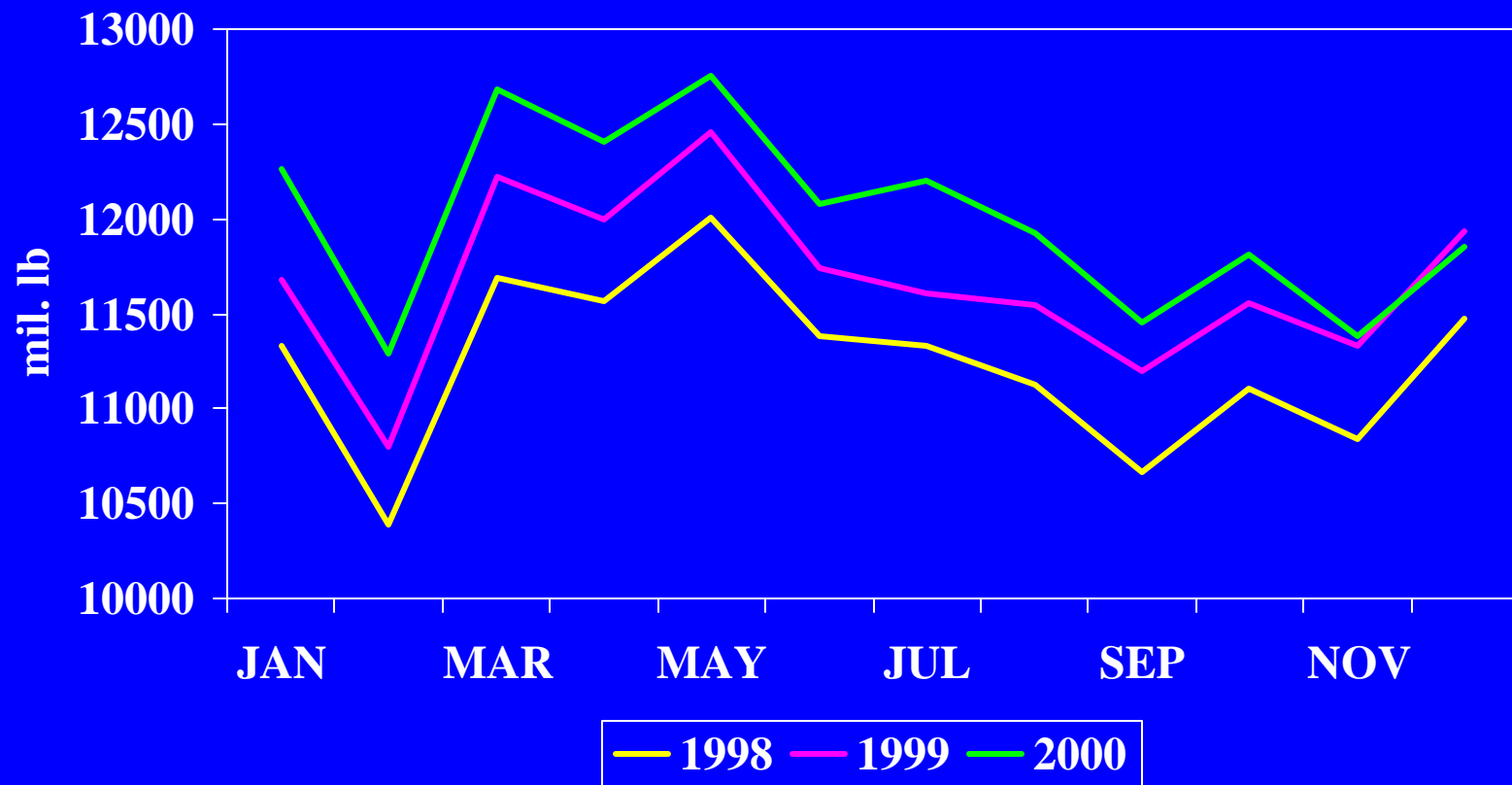
Milk cow numbers, 20 States



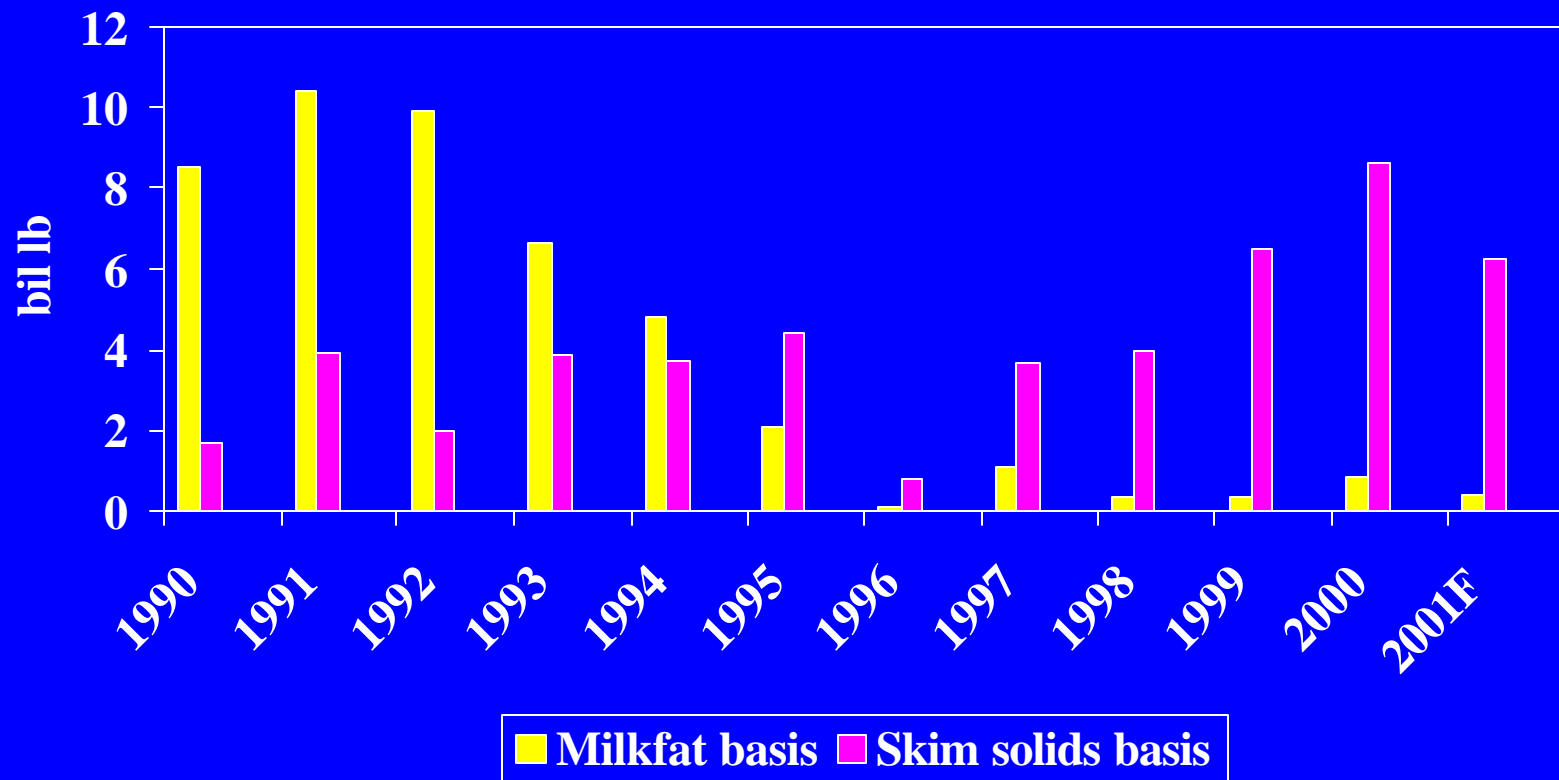
Returns over concentrate costs

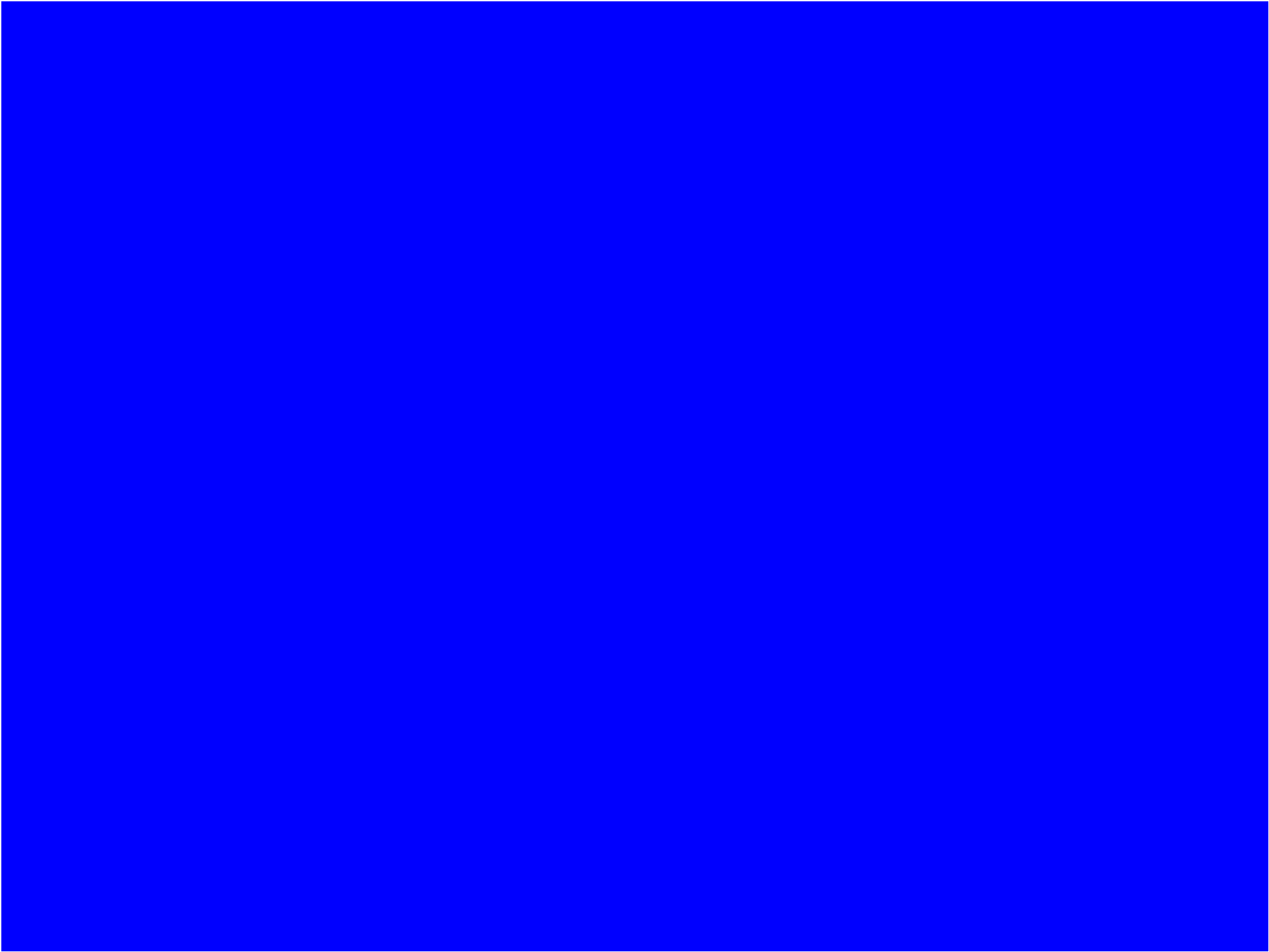


Milk production, 20 States



CCC net removals

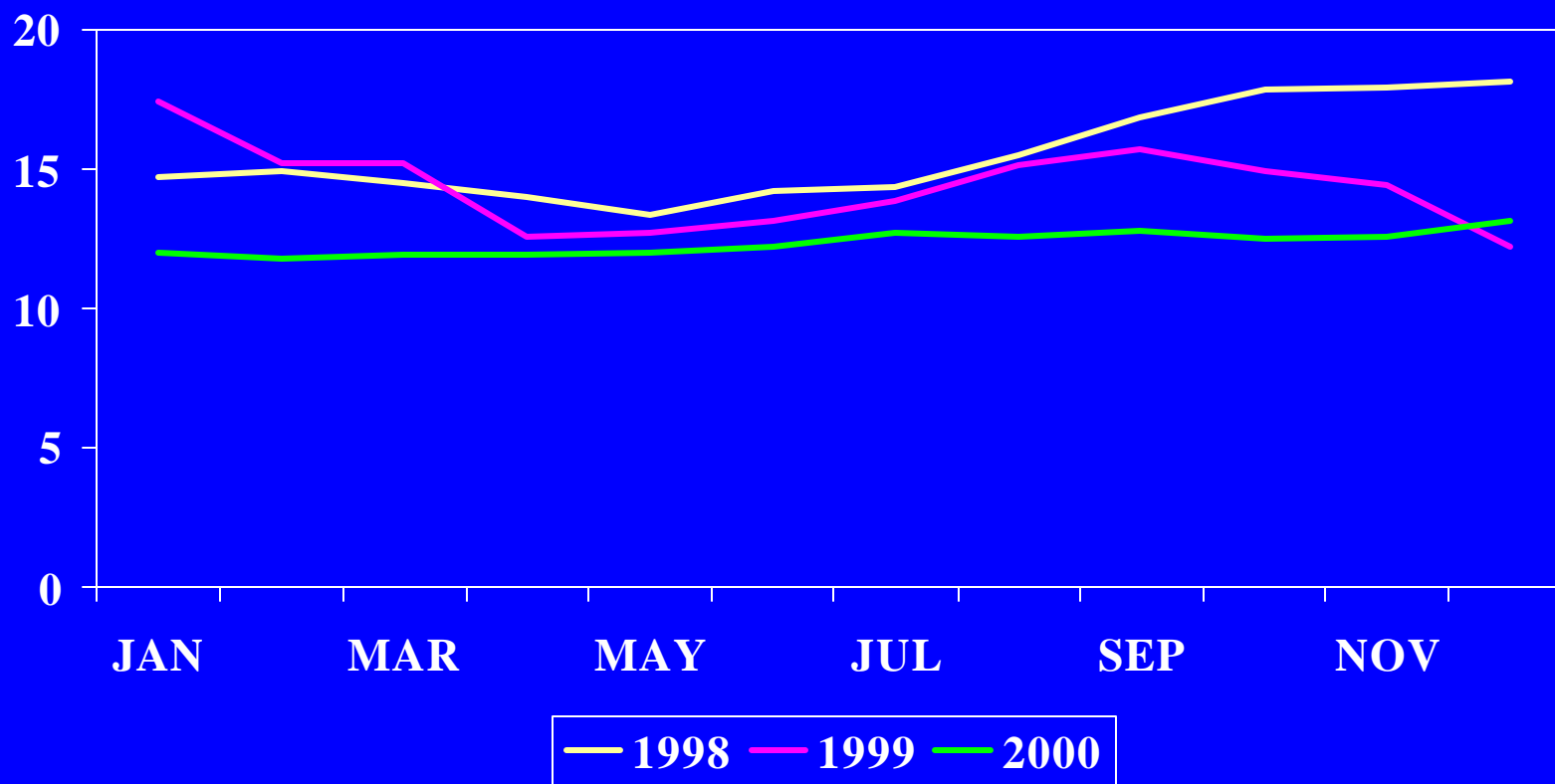




Manufacturing milk prices



All milk price



Dairy in 2001

- Demand growth to ease only slightly.
- Production to be about the same.
- Milkfat markets still tight.
- Skim solids surplus smaller but still large.
- Price recovery modest in 2001 BUT
- Stage set for larger 2002 recovery.